GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:192
ANSWERED ON:01.12.2000
PRIVATE COMPANIES IN INSURANCE SECTOR
BRAHMANAND MANDAL

Will the Minister of FINANCE be pleased to state:

(a) whether private sector companies have been allowed to enter into insurance business;

(b) if so, the fields in which the private sector companies are likely to start their services; and

(c) the steps being contemplated by the Government to safeguard the interest of insuring public in case of the companies going bankrupt?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALA SAHEB VIKHE PATIL)

a & b) Yes, Sir. IRDA has intimated that they have granted certificate of registration to 5 insurance companies - 3 in life and 2 in general insurance business. In addition, provisional registration has been granted to one company for general insurance business.

c)The IRDA has been mandated by the IRDA Act, 1999 to protect the interests of holders of insurance policies.They have made regulations regarding solvency margin requirements to be met by all insurers so as to ensure their continued solvency.